

Estimated Fiscal Impact of Bill # SB 241 Date 2/24/09

Short Title

Instructional Expenses Requirements

Contact

Von Hortin

Title

Audit/Finance Specialist

Agency: State Office of Education

Phone

801 538-7670

Short Form

Use only when there is no appropriation needed for state agencies, and no fiscal impact on state revenues, local governments, businesses, or individuals.

If the bill looks like it should have a fiscal note, explain why it does not. For example, a bill might put into code something that is already current practice.

Attachments welcome.

- ☒ State agencies will not require an appropriation to implement the bill.
☐ There is no fiscal impact on local governments.
☒ There is no fiscal impact on businesses
☒ There is no fiscal impact on individuals.
☒ The bill will not affect revenues.

Explain why this bill has no fiscal impact.

Any changes under this bill would be the responsibility of local school districts. Districts could obtain waivers from the Utah State Board of Education with request if necessary.

A. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

Lines 37-38 require that districts either spend 65% of their general fund expenditures on the instructional function or obtain a waiver.

B. Which program gets the appropriation?

(Approp. Unit Code)

(To appropriate to an additional program use an additional form.) This is ____ of ____.

C. Work Notes: Assumptions, calculations & what are we buying?

Assume that a legislator calls you in to explain how you came up with your fiscal impact and these are the only notes you get to take with you.

List all costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what \$50,000 will buy.

Attachments encouraged.

Assuming that all districts spent 65% of their general fund expenditures in the instruction function, in FY 2008 \$6.2 million of amounts were spent in other areas by eight school districts who do not already meet the 65% requirement of this bill. See tab 2 of this note input called "FY 2009 Expenditures".

The instruction function restriction in this bill is for School Districts but not for Charter Schools.

Fiscal Impact Tables

Current Budget Year
FY 2009

Coming Budget Year
FY 2010

Future Budget Year
FY 2011

D. If this is a revenue bill, show impacts here. (Select funds from drop-down menu.)

Total	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

E. Show Costs to Implement the Bill by Fund (Select funds from drop-down menu.)

Other	6,200,000		
Total	<u>\$0</u>	<u>\$6,200,000</u>	<u>\$0</u>

F. Show Costs to Implement the Bill by Expense Category.

Personal Services			
Travel			
Current Expense	6,200,000		
DP Current Expense			
DP Capital Outlay			
Capital Outlay			
Other/Pass Thru			
Total	<u>\$0</u>	<u>\$6,200,000</u>	<u>\$0</u>

G. How will the bill impact local governments?

Your estimate of the bill's impact on local governments.

Attachments welcome.

Eight School Districts would need to change some of their spending patterns or obtain a waiver from the USBE. All but two school districts are rural districts with Necessarily Existent Small Schools--this is a large part of the reason their instruction expenditures are below the 65% threshold. The eight range from 54.30% to 64.17% and their percentiles average 61.59% (not weighted).

H. How will the bill impact businesses?

Your estimate of the bill's impact on businesses.

Attachments welcome.

NA

I. How will the bill impact individuals?

Your estimate of the bill's impact on individuals.

Attachments welcome.

NA

UTAH STATE OFFICE OF EDUCATION
Schedule of Instructional Expenditures VS General Fund Expenditures
FY 2007-08

	<u>Instruction</u>	<u>Total Gen Fund</u>	<u>Percent</u>
ALPINE	223,114,057	308,322,434	72.36%
BEAVER	7,072,686	10,534,516	67.14%
BOX ELDER	43,199,115	62,565,017	69.05%
CACHE	59,018,547	85,429,162	69.08%
CARBON	17,303,873	25,528,772	67.78%
DAGGETT	1,494,552	2,752,306	54.30%
DAVIS	253,547,970	369,980,115	68.53%
DUCHESNE	17,502,711	27,433,528	63.80%
EMERY	12,151,190	18,355,663	66.20%
GARFIELD	6,755,143	10,072,547	67.06%
GRAND	6,652,243	9,773,971	68.06%
GRANITE	265,252,630	388,551,266	68.27%
IRON	34,018,678	50,562,143	67.28%
JORDAN	291,377,382	432,860,340	67.31%
JUAB	8,557,811	11,995,094	71.34%
KANE	7,282,819	11,151,782	65.31%
MILLARD	15,263,898	22,329,970	68.36%
MORGAN	8,183,116	11,576,331	70.69%
NEBO	99,685,045	149,256,434	66.79%
NO. SANPETE	10,836,248	17,124,810	63.28%
NO. SUMMIT	5,689,877	7,763,895	73.29%
PARK CITY	23,313,971	36,329,470	64.17%
PIUTE	2,561,648	3,854,796	66.45%
RICH	3,134,741	4,965,883	63.13%
SAN JUAN	20,052,588	33,515,970	59.83%
SEVIER	20,914,729	29,708,442	70.40%
SO. SANPETE	14,711,940	20,181,410	72.90%
SO. SUMMIT	6,697,526	9,913,730	67.56%
TINTIC	2,372,064	3,768,070	62.95%
TOOELE	48,878,269	70,765,968	69.07%
UINTAH	24,422,331	36,848,080	66.28%
WASATCH	21,847,260	29,492,641	74.08%
WASHINGTON	99,145,864	146,258,974	67.79%
WAYNE	3,367,355	5,106,367	65.94%
WEBER	115,485,198	167,392,313	68.99%
SALT LAKE	115,341,468	169,197,608	68.17%
OGDEN	51,299,378	83,712,646	61.28%
PROVO	64,216,612	82,553,195	77.79%
LOGAN	28,933,675	37,185,923	77.81%
MURRAY	25,443,877	38,541,872	66.02%
Totals	2,086,100,085	3,043,213,454	68.55%